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June 2, 2015

**VIA ELECTRONIC FILING**

The Honorable Jocelyn G. Boyd  
Chief Clerk / Administrator  
Public Service Commission of South Carolina  
101 Executive Center Drive, Suite 100  
Columbia, South Carolina 29211

**RE: Application of Duke Energy Progress, Inc. for Approval of Renewable Net  
Metering Rider RNM-1  
Docket No. 2015-\_\_-E**

Dear Mrs. Boyd:

Pursuant to S.C. Code § 58-40-10 and Order No. 2015-194, issued in Docket No. 2014-246-E, enclosed for filing and approval on behalf of Duke Energy Progress, Inc. ("the Company"), please find the Company's proposed Renewable Net Metering Rider RNM-1.

Thank you for your attention to this matter and please let us know if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Charles A. Castle". The signature is fluid and cursive, with the first name "Charles" and last name "Castle" clearly legible.

Charles A. Castle

**Enclosures**

**Cc: Mr. John Flitter, Office of Regulatory Staff  
Ms. Nanette Edwards, Office of Regulatory Staff  
Ms. Shannon Hudson, Office of Regulatory Staff  
Mr. Andrew Bateman, Office of Regulatory Staff  
Ms. Bonnie Shealy, Robinson McFadden & Moore  
Ms. Heather Smith, Duke Energy**

## RENEWABLE NET METERING RIDER RNM-1

### AVAILABILITY

Available to residential and nonresidential Customers receiving concurrent service from Company, on a metered rate schedule, except as indicated under General Provisions. The renewable net energy metered (NEM) generation, which includes a solar photovoltaic; solar thermal; wind powered; hydroelectric; geothermal; tidal or wave energy; recycling resource; hydrogen fueled or combined heat and power derived from renewable resources; or biomass fueled generation source of energy, is installed on Customer's side of the delivery point, for Customer's own use, interconnected with and operated in parallel with Company's system. The generation must be located at a single premises owned, operated, leased or otherwise controlled by Customer.

Service under this Rider is closed to new participants on and after January 1, 2021, or when the statutory minimum system capacities described in S.C. Code § 58-39-130 have been reached, whichever occurs first. Customers requesting NEM service after January 1, 2021, will receive service in accordance with the NEM tariff in effect at that time. This Rider shall expire and no longer be available for NEM service on and after January 1, 2026.

### GENERAL PROVISIONS

1. To qualify for service under this Rider, Customer must comply with all applicable interconnection standards and must provide, in writing, the Nameplate Capacity of Customer's installed renewable generation system. Any subsequent change to the Nameplate Capacity must be provided by Customer to Company in writing by no later than 60 days following the change.
2. To qualify for service under this Rider, a residential customer may be served on an approved residential rate schedule, but may not be served under Rider NM. The higher of the AC- or DC-Rated Nameplate Capacity of Customer's installed generation system and equipment must not exceed 20 kW.
3. To qualify for service under this Rider, a nonresidential customer may be served on an approved general service rate schedule, but may not be served on Schedules SGS-TES, TSS, TFS, LGS-RTP, LGS-CUR-TOU, CSG, CSE, GS, SFLS or Rider NM. The higher of the AC- or DC-Rated Nameplate Capacity of Customer's installed renewable generation system and equipment must not exceed 1,000 kW or 100% of Customer's contract demand which shall approximate Customer's maximum expected demand.
4. If Customer is not the owner of the premises receiving electric service from Company, Company shall have the right to require that the owner of the premises give satisfactory written approval of Customer's request for service under this Rider.
5. Customers served under this Rider are not eligible to receive payment from Palmetto Clean Energy (PaCE) for energy generated by Customer's renewable generation system. All environmental attributes, including but not limited to "renewable energy certificates" (RECs), "renewable energy credits" or "green tags", associated with the generation system shall be conveyed to Company until billing of a Distributed Energy Resource Program Rider DERP Charge is discontinued on all customer bills. Customer certifies that the environmental attributes have not and will not be remarketed or otherwise resold for any purpose, including another distributed energy resource standard or voluntary purchase of renewable energy certificates in South Carolina or in any other state or country for the Contract Period and any successive contract periods thereto.

6. If the electricity supplied to Customer by Company exceeds the electricity delivered to the grid by the customer-generator during a monthly billing period, the customer-generator shall be billed for the net electricity in kilowatt hours (kWh) supplied by Company plus any demand or other charges under the applicable rate schedule or riders. If the electricity delivered to the grid by the customer-generator exceeds the electricity in kWh supplied by the utility during a monthly billing period, the customer-generator shall be credited for the excess kWh generated during that billing period.
7. Electricity delivered to the grid by Customer's renewable generation that exceeds the electricity delivered by Company is defined as Excess Energy. When used in conjunction with a time of use schedule, the TOU periods shall be specified in the applicable schedule and any Excess Energy shall apply first with the Excess Energy generated On-Peak kWh offsetting On-peak usage and then offsetting Off-peak usage. Any excess Off-Peak kWh shall only apply against Off-peak kWh usage. Any Excess Energy not used in the current month to offset usage shall carry forward to the next billing month.
8. Excess Energy shall be used to reduce electricity delivered and billed by Company during the current or a future month, except that for the March billing period any carry-over shall be compensated as described in the RATE paragraph below.
9. In the event Company determines that it is necessary to increase the capacity of facilities beyond those required to serve Customer's electrical requirement or to install a dedicated transformer or other equipment to protect the safety and adequacy of electric service provided to other customers, Customer shall pay the estimated cost of the required transformer or other equipment above the estimated cost which Company would otherwise have normally incurred to serve Customer's electrical requirement, in advance of receiving service under this Rider.
10. The rates set forth herein are subject to Commission Order No. 2015-194, issued in Docket No. 2014-246-E pursuant to the terms of S.C. Code § 58-40-20(F)(4). Eligibility for this rate will terminate as set forth in that Order, and otherwise as specified above. The value of NEM generation eligible for this Rider shall be computed using the methodology contained in Commission Order No. 2015-194, in Docket No. 2014-246-E, and shall be updated annually by Company. The value of NEM generation for 2015 is \$0.05106 per kWh for Schedules RES, R-TOUD, R-TOUE, and SGS and \$0.05104 for all other schedules.

#### RATE

All provisions of the applicable schedule and other applicable riders will apply to service supplied under this Rider, except as modified herein. For any bill month during which the Energy Charges are a net credit, the respective Energy Charges for the month shall be zero. Credits shall not offset the Basic Facilities Charge or the Demand Charge (if applicable). In addition to all charges in the applicable rate schedule for Customer's net electrical usage, the following credit may be applicable annually:

##### Annual Credit for Excess Generation –

If Customer has Excess Energy after offsetting usage as of the date of the March billing, Company shall pay Customer for the amount of the accumulated Excess Energy times a rate of \$0.04597 per kWh, after which the amount of Excess Energy shall be set to zero.

#### MINIMUM BILL

The monthly minimum bill for customers receiving service under this Rider shall be no less than Basic Facilities Charge from the applicable rate schedule and riders plus, if applicable, any of the following Charges: the Demand Charge, the Off-peak Excess Demand Charge, and the Additional Facilities Charge.

## METERING REQUIREMENTS

Customer must provide access and designate a location on the load side of the billing meter for Company to furnish, install, own and maintain metering with 15-minute interval capability to record 100% of Customer's generator output. At Company's sole option, the generator meter requirement may be waived for customers served under a net metering rider on or before December 31, 2015. Company will also furnish, install, own and maintain a billing meter to measure the kilowatt demand delivered by Company to Customer, and to measure the net kWh purchased by Customer or delivered to Company. For renewable generation capacity of 20 kW or less, the billing meter will be a single, bi-directional meter which records independently the net flow of electricity in each direction through the meter, unless Customer's overall electrical requirement merits a different meter. For larger renewable generation capacities, Company may elect to require two meters with 15-minute interval capabilities to separately record Customer's electrical consumption and the total generator output, which will be electronically netted for billing. All metering shall be at a location that is readily accessible by Company.

## SAFETY, INTERCONNECTION AND INSPECTION REQUIREMENTS

This Rider is only applicable for installed renewable generation systems and equipment that complies with and meets all safety, performance, interconnection, and reliability standards established by the Commission, the National Electric Code, the National Electrical Safety Code, the Institute of Electrical and Electronic Engineers, Underwriter's Laboratories, the Federal Energy Regulatory Commission and any local governing authorities. Customer must comply with all liability insurance requirements of the Interconnection Standard.

## POWER FACTOR

Customer's renewable generation must be operated to maintain a 100% power factor, unless otherwise specified by Company. When the average monthly power factor of the power supplied by Customer to Company is other than 100%, the Low Power Factor Adjustment stated in Company's Service Regulations may be applicable. Company reserves the right to install facilities necessary for the measurement of power factor. Company will not install such equipment, nor charge a Low Power Factor Adjustment if the renewable generation system is less than 20 kW and uses an inverter.

## CONTRACT PERIOD

Customer shall enter into a contract for service under this Rider for a minimum original term of one (1) year, and shall automatically renew thereafter, except that either party may terminate the contract after one year by giving at least sixty (60) days prior notice of such termination in writing.

Company reserves the right to terminate Customer's contract under this Rider at any time upon written notice to Customer in the event that Customer violates any of the terms or conditions of this Rider, or operates the renewable generation system and equipment in a manner which is detrimental to Company or any of its customers. In the event of early termination of a contract under this Rider, Customer will be required to pay Company for the costs due to such early termination, in accordance with Company's South Carolina Service Regulations.

Effective for service rendered on and after \_\_\_\_\_  
SCPSC Docket No. 2015-\_\_\_\_-E, Order No. 2015-\_\_\_\_